

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6811
BILL NUMBER: SB 387

NOTE PREPARED: Dec 27, 2010
BILL AMENDED:

SUBJECT: Skydiving.

FIRST AUTHOR: Sen. Waltz
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill requires that skydiving businesses must be certified by the Department of Transportation (INDOT). The bill sets standards and allows fees for the certification process. It creates the Skydiving Fund and continually appropriates money in the fund to INDOT.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The bill will increase costs for the INDOT to develop a certification and inspection program for skydiving businesses. INDOT does not currently conduct a program of business certification, and the cost of implementing the program and continuing inspections is unknown. The costs of administering the program are to be offset with fees for certification paid by the skydiving businesses.

Additional Information- Potential Costs: There appears to be five or six skydiving business in Indiana, including facilities in Flora, Franklin, Angola, Greensburg, and Richmond. INDOT would adopt rules to administer the certification program, receive and review reports on accidents that result in serious injury or death, and revoke certification of a skydiving business that does not comply with requirements in the statute, in the Skydiver's Information Manual published by the United States Parachute Association, in FAA regulations, or adopted by INDOT. There are very few comparable requirements for regulation of businesses due to the apparently small number of business and the limited season for parachuting in Indiana. Some costs will be based on the way in which INDOT determines to administer its responsibilities, which could include contracting for inspections or hiring its own inspectors.

Explanation of State Revenues: *Skydiving Fund:* The Skydiving Fund is established to provide funds to

administer the business certification program. It consists of appropriations made by the state General Fund and fees collected under the chapter. No state General Funds are appropriated in the bill.

Penalty Provision: The bill provides for a Class B misdemeanor if the operator of a skydiving business violates the provisions concerning skydiving. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small due to the small number of individuals to whom it potentially applies.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: INDOT.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: United States Parachute Association; www.wheretojump.com; <https://skydiving.findthebest.com>, NCSL website, CSG website.

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